

Chairman Powell,

Even the judge who originally ruled on the competitive demarcation access points for a deregulated telecommunications industry, agrees that his original ruling was mistaken, technologically and relative to the marketplace. Recent regulatory decisions have attempted to rectify the problem by assuring access to Central Office facilities of the original Bell operating companies by competitors. However, because of the original ruling on the competitive demarcation, trying to ensure a competitive telecommunications infrastructure has been a nightmare, both in terms of constructing viable regulations and the costs of litigation. DESPITE the obstacles, the introduction of inexpensive digital electronics has led to a high level of competition. But we will kill the goose that has been laying a golden egg for almost 20 years, if we allow the change in classification of the Bell Companies from dominant to non-dominant. Such a ruling would effectively guarantee that the installed telecommunications base would fall right back into the hands of monopolistic enterprise, which tends to stymie the development and deployment of new, superior, and, in the long run, less expensive technologies. The claim that "standardization" is needed is bunk. The notions of "standardization" and "volumization" justified the original monopolization of the phone company based on a false analogy to railway gauges. Noone foresaw the rise of cheap digital electronics and the ease with which differing protocols and equipment could be made to work together, even as whole new generations of equipment and software come on line with breathless rapidity. The Central Offices need to finally be seen as publicly paid for infrastructure (which guaranteed huge market presence and profit to the old phone companies), open to any and all competitors to provide any sort of telecommunications services demanded by the marketplace. As long as those facilities are seen to be "owned" by the LEC's, the telecommunications industry is in an artificial competitive mode, with fragile regulatory constraints too easily fought and undermined by the market power of the latest version of the old monopoly, which after all, owed its existence to the US taxpayer and voter, in the first place. It is high time to trust American engineering expertise to deliver high quality in a free market environment. Keep the Bells at bay; give competitive telecommunications companies a fair shot at introducing the new technologies and services which drive new economy. The original break-up of AT&T generated several trillion dollars in "new economy" - jobs, secondary economic growth, investment wealth for new investments in new technologies. Let's do it again.

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